GOVERNMENT OF INDIA
POWER
LOK SABHA

UNSTARRED QUESTION NO:758
ANSWERED ON:27.07.2000
DELAY IN SCRUTINY OF LOAN APPLICATION
MANSINH PATEL

Will the Minister of POWER be pleased to state:

(a) whether the Government are aware that the scrutiny of the loan applications by the Power Finance Corporationare not being done in time;

(b) if so, the reasons therefor; and

(c) the efforts made by the Government for early scrutiny of these applications?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF POWER (SHRIMATI JAYAWANTI MEHTA)

(a) to (c): The time taken by PFC in the scrutiny of theloan application has been found to be reasonable. Efforts are made by the corporation to sanction financial assistance within a period of 3 to 4 months. Usually, borrowers submit their loan requests at various stages of project formulation and many times critical information required for processing the loan applications related to planning, cost, profit and security arrangement etc., are lacking. As such, time is consumed in getting complete information about the project. The pendency of applications at various levels is closely monitored and the borrowers are assisted in submitting complete applications. PFC also organises Workshops to train SEB officials in submission of applications complete in all respects.